

001

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 3

APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK: DRILL [X] REENTER [] DEEPEN []
B. TYPE OF WELL [] OIL [X] GAS OTHER [] SINGLE ZONE [X] MULTIPLE ZONE []
2. NAME OF OPERATOR: QEP UINTA BASIN, INC.
3. ADDRESS OF OPERATOR: 11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078 PHONE NUMBER: (435) 781-4331
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1993' FNL 1677' FEL SWNE, SECTION 2, T9S, R24E 4436499Y (NAD 83) LAT 40.066364 LON 109.178039 (NAD 27) LAT 40.066397 LON 109.177367 AT PROPOSED PRODUCING ZONE: SAME
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 37+/- MILES SOUTHEAST OF VERNAL, UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE(FEET) 1677' +/-
16. NUMBER OF ACRES IN LEASE: 586.47
17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)
19. PROPOSED DEPTH 7125'
20. BOND DESCRIPTION: 04127294
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5203.6' GR
22. APPROXIMATE DATE WORK WILL START: ASAP
23. ESTIMATED DURATION: 10 DAYS

24 PROPOSED CASING AND CEMENTING PROGRAM

Table with 6 columns: SIZE OF HOLE, CASING SIZE, GRADE, AND WEIGHT PER FOOT, SETTING DEPTH, CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT. Row 1: 12 1/4", 9 5/8", J-55, 36, 2700', SEE ATTACHED 8-POINT DRILLING. Row 2: 7 7/8", 4 1/2", M-80, 11.6, TD.

25 ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERATION GENERAL RULES:
[X] WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
[X] COMPLETE DRILLING PLAN
[X] EVIDNECE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
[] FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OW

NAME (PLEASE PRINT) Jan Nelson TITLE Regulatory Affairs Analyst
SIGNATURE [Signature] DATE 13-May-05

(This space for State use only)
API NUMBER ASSIGNED: 43-047-36724 APPROVAL: [Signature]

(11/2001)

(See Instruction on Reverse Side)

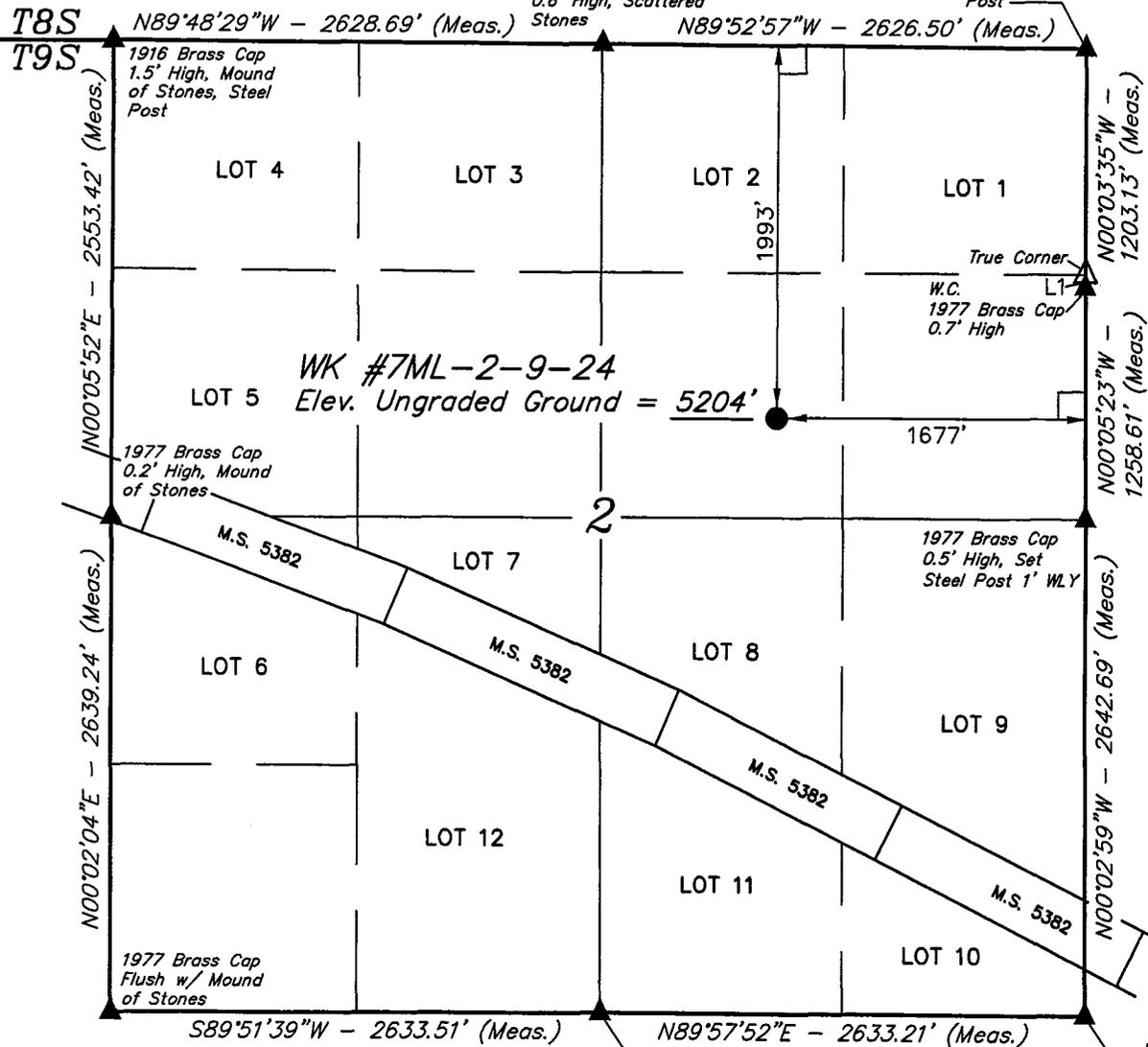
Approved by the Utah Division of Oil, Gas and Mining
Date: 11-01-05
By: [Signature]

CONFIDENTIAL

T9S, R24E, S.L.B.&M.

QUESTAR EXPLR. & PROD.

Well location, WK #7ML-2-9-24, located as shown in the SW 1/4 NE 1/4 of Section 2, T9S, R24E, S.L.B.&M. Uintah County, Utah.

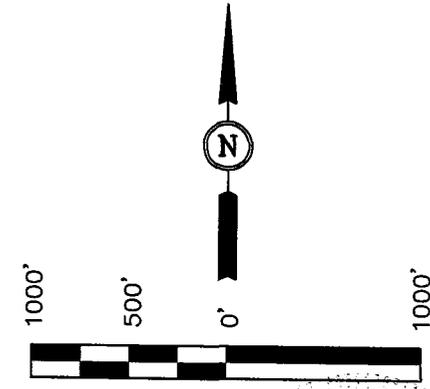


BASIS OF ELEVATION

BENCH MARK 45EAM LOCATED IN THE NW 1/4 SW 1/4 OF SECTION 6, T9S, R24E, S.L.B.&M. TAKEN FROM THE BONANZA, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5350 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

John H. Kay
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

Revised: 3-9-05

LINE TABLE		
LINE	BEARING	LENGTH
L1	N00°03'35"W	66.00'

1977 Brass Cap 0.4' Above 0.3' High Pile of Stones, Set Steel Post

1977 Brass Cap Flush w/1' High Pile of Stones, Set Steel Post

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

CONFIDENTIAL

(AUTONOMOUS NAD 83)
 LATITUDE = 40°03'58.91" (40.066364)
 LONGITUDE = 109°10'40.94" (109.178039)
 (AUTONOMOUS NAD 27)
 LATITUDE = 40°03'59.03" (40.066397)
 LONGITUDE = 109°10'38.52" (109.177367)

UINTAH ENGINEERING & LAND SURVEYING		
85 SOUTH 200 EAST - VERNAL, UTAH 84078		
(435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 1-14-05	DATE DRAWN: 1-21-05
PARTY D.A. T.C. K.G.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE QUESTAR EXPLR. & PROD.	

Additional Operator Remarks

QEP, Uinta Basin Inc. proposes to drill a well to 7125' to test the Buck Tongue. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements

See attached 8-point drilling program.

See Notice of intent to complete into multiple pools attached.

Please be advised that QEP, Uinta Basin Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No.04127294. The principal is QEP, Uinta Basin Inc. via surety as consent as provided for the 43 CFR 3104.2.

NOTICE OF INTENT TO COMPLETE INTO MULTIPLE POOLS

WK 7ML-2-9-24

In compliance with the stated objectives of section R649-3-22 of the Utah Administrative Code and the Utah Oil and Gas Conservation Act, Questar Exploration and Production Company hereby requests the commingling of production between intervals in the WK 7ML-2-9-24. Questar considers this commingling to be in the public interest in that it promotes maximum ultimate economic recovery, prevents waste, provides for orderly and efficient production of oil and gas and presents no detrimental effects from commingling the two gas streams.

Questar requests approval for the commingling between the Mesa Verde and Wasatch intervals. As the well is not in a Unit PA and the ownership is the same between formations, production will be reported as combined Mesa Verde / Wasatch production.

This well will be completed using multiple stage hydraulic fracturing. Bridge plugs will be used to isolate completion intervals during fracturing operations and will be drilled up prior to putting the well on production. Mesa Verde and Wasatch intervals will be fractured separately, except where they occur too close together to make isolation unfeasible.

A plat of all contiguous owners will follow along with an affidavit stating that all contiguous owners have been notified and given a 15 day objection period.

I hereby certify that the foregoing is true and correct



5/13/05

Mike Stahl
Completion Engineer
Questar Exploration & Production

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>	<u>Prod. Phase Anticipated</u>
Uinta	Surface	
Green River	1280'	
Wasatch	3575'	Gas
Mesa Verde	4570'	
Buck Tongue	6890'	
TD	7125'	

2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil/Gas	Buck Tongue	7125'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right #36125 or Red Wash water right # 49-2153 to supply fresh water for drilling purposes.

All water resulting from drilling operations will be disposed of at Red Wash Central Battery Disposal Site; SWSE, Section 27, T7S, R23E or Wonstis Valley Disposal Site; SWNW, Section 12, T8S, R21E.

DRILLING PROGRAM

3. Operator's Specification for Pressure Control Equipment:

- A. 3,000 psi W.P. Double Gate BOP or Single Gate BOP (schematic attached)
- B. Functional test daily
- C. All casing strings shall be pressure tested (0.2 psi/foot or 1500 psi, (or 70% of burst whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 3M system and individual components shall be operable as designed.

4. Casing Program

	<u>Depth</u>	<u>Hole Size</u>	<u>Csg Size</u>	<u>Type</u>	<u>Weight</u>
Surface	2700'	12 1/4"	9-5/8"	J-55	36 lb/ft (new) LT&C
TD	7125'	7 -7/8"	4 -1/2"	M-80	11.60 lb/ft (new)LT&C

5. Auxiliary Equipment

- A. Kelly Cock – yes
- B. Float at the bit – no
- C. Monitoring equipment on the mud system – visually and/or PVT/Flow Show
- D. Full opening safety valve on the rig floor – yes
- E. Rotating Head – yes
If drilling with air the following will be used:
- F. The blooie line shall be at least 6" in diameter and extend at least 100' from the well bore into the reserve/blooie pit.
- G. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500').

DRILLING PROGRAM

- H. Compressor shall be tied directly to the blooie line through a manifold.
- I. A mister with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Drilling below surface casing will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. It is not intended to use oil in the mud, however, in the event it is used, oil concentration will be less than 4% by volume. Maximum anticipated mud weight is 9.5 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

6. Testing, logging and coring program

- A. Cores – none anticipated
- B. DST – none anticipated

Logging – Mud logging – 4500 to TD
GR-SP-Induction
Neutron Density
MRI

- C. Formation and Completion Interval: Buck Tongue interval, final determination of completion will be made by analysis of logs.
Stimulation – Stimulation will be designed for the particular area of interest as encountered.

DRILLING PROGRAM

7. Cementing Program

<u>Casing</u>	<u>Volume</u>	<u>Type & Additives</u>
Surface	1541sx	Class "G" single slurry mixed to 15.6 ppg, yield = 1.19 cf/sx. Fill to surface with 160 cf (1541sx) calculated. Tail plug used. Allowed to set under pressure
Production	Lead-840sx* Tail-920sx*	Lead/Tail oilfield type cement circulated in place . Tail slurry: Class "G" + gilsonite and additives as required, mixed to 14.8 ppg, yield = 1.34 cf/sx. Fill to 4070' ($\pm 500'$ above production zone). Cement Characteristics: Lead slurry: Class "G" + extender and additives as required, mixed to 11.0 ppg, yield = 3.82 cf/sx. Fill to surface. Tail plug used. Allowed to set under pressure.

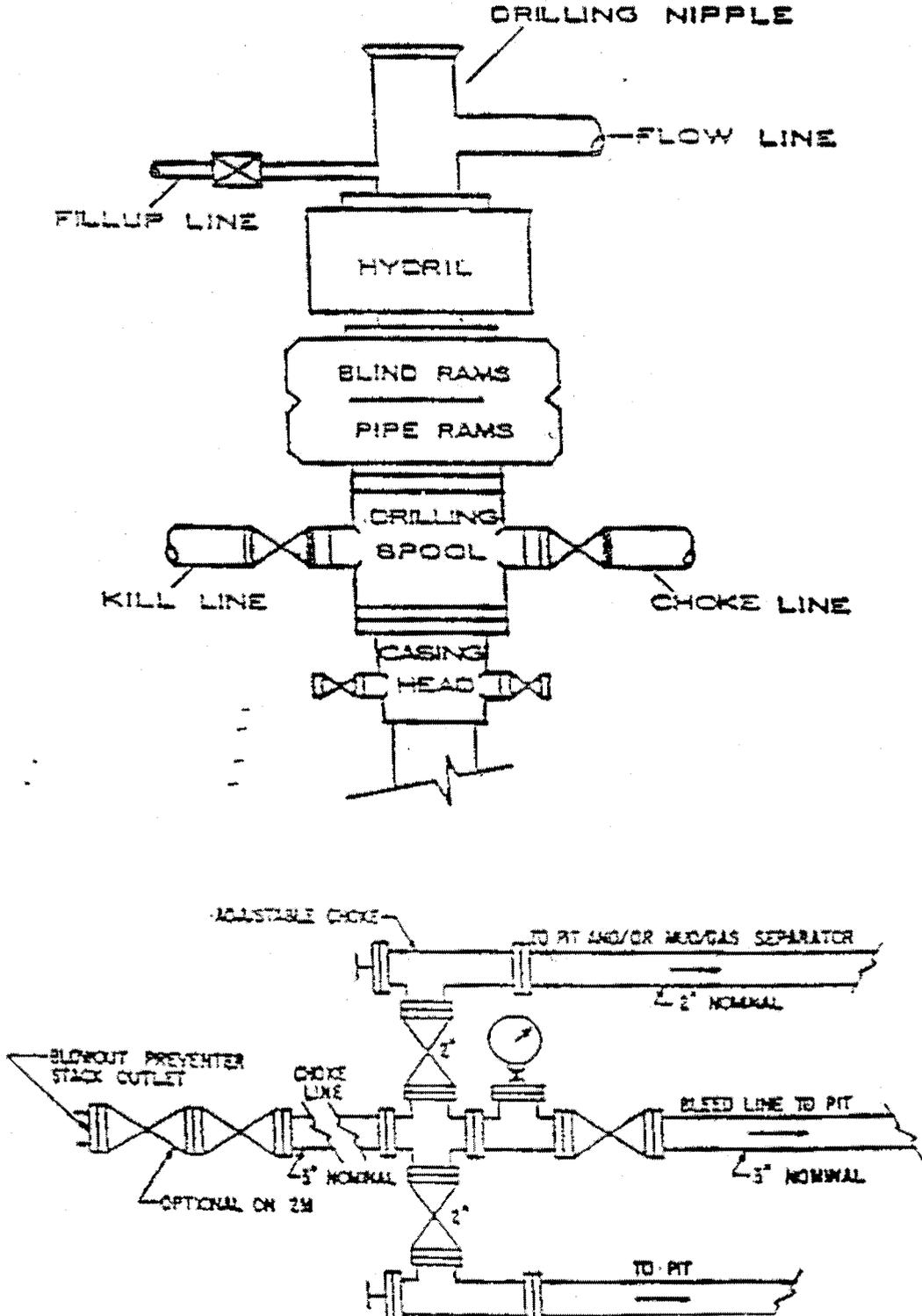
*Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

No abnormal temperatures or pressures are anticipated. No H2S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 3090.0 psi. Maximum anticipated bottom hole temperature is 140° F.

DRILLING PROGRAM

SCHEMATIC DIAGRAM OF 3,000 PSI BOP STACK



Lessee's or Operator's Representative:

Jan Nelson
Red Wash Rep.
QEP Uinta Basin Inc.
11002 East 17500 South
Vernal, Utah 84078
(435) 781-4331

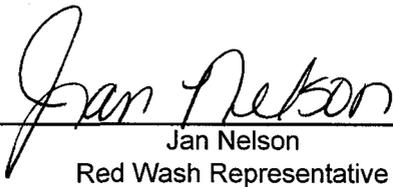
Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

QEP Uinta Basin, Inc. will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by QEP Uinta Basin, Inc. its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.



Jan Nelson
Red Wash Representative

13-May-05

Date

CONFIDENTIAL

QUESTAR EXPLR. & PROD.

WK #7ML-2-9-24

LOCATED IN UINTAH COUNTY, UTAH
SECTION 2, T9S, R24E, S.L.B.&M.

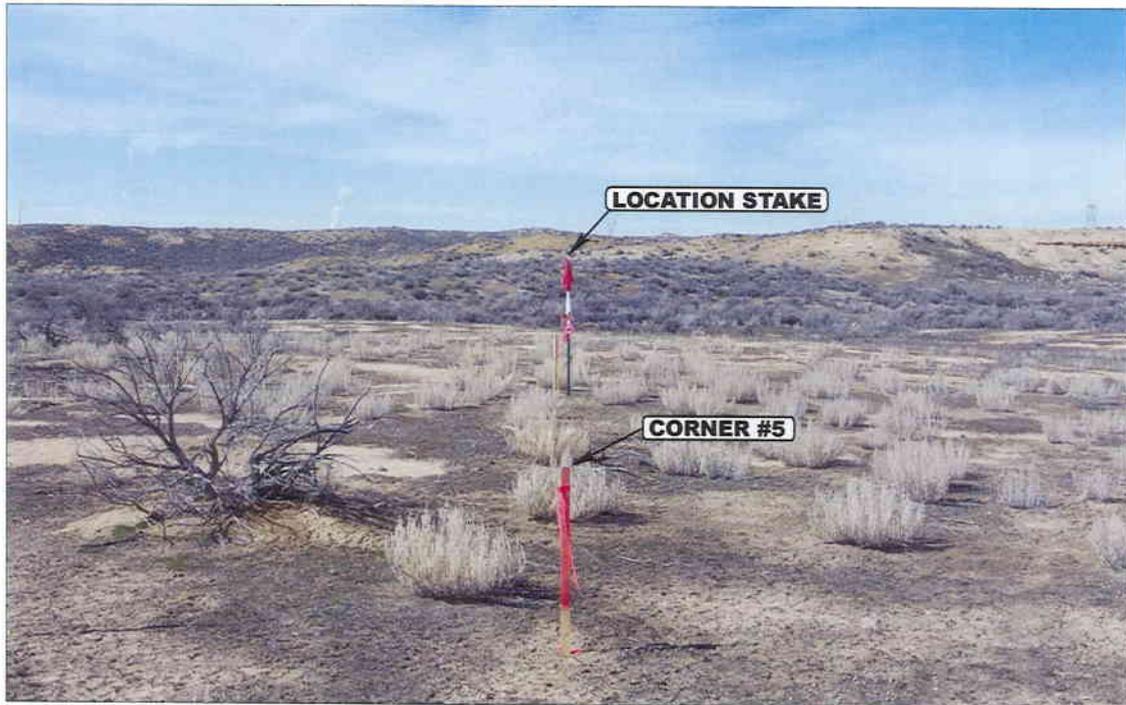


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

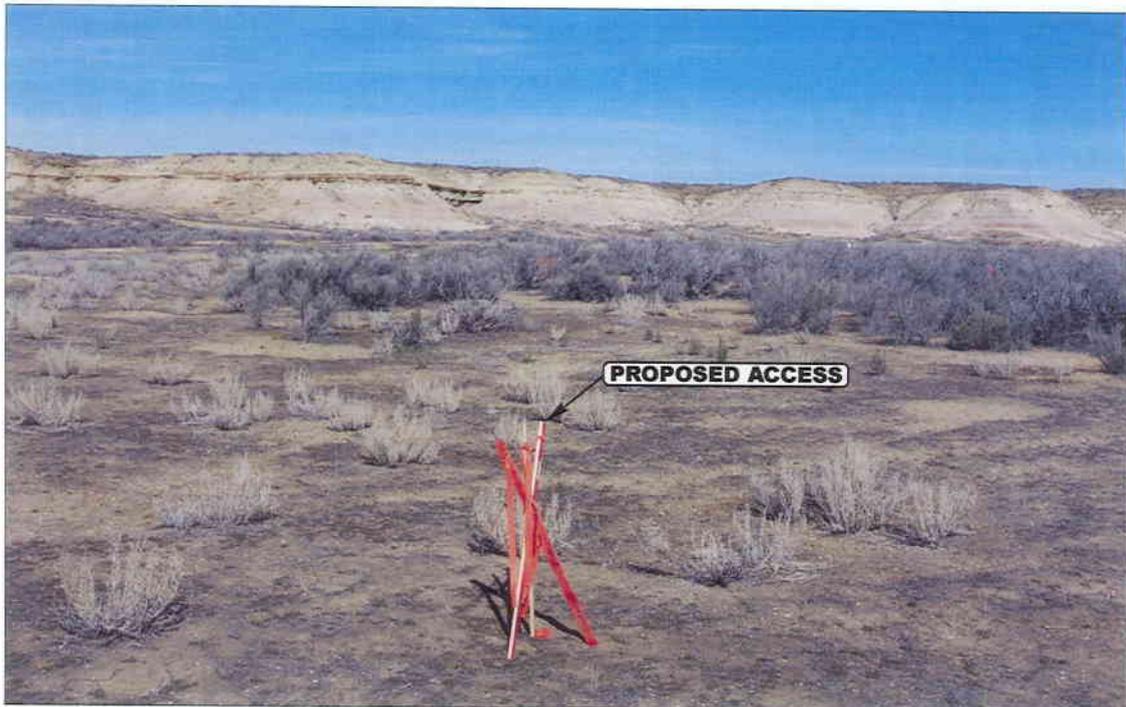


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

01 20 05
MONTH DAY YEAR

PHOTO

TAKEN BY: D.A.

DRAWN BY: L.K.

REV: 03-04-05 L.K.

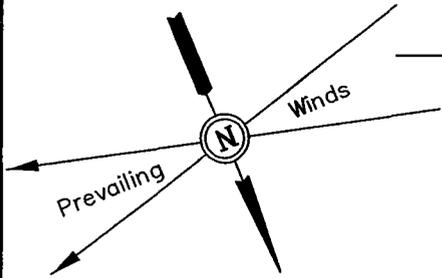
CONFIDENTIAL

QUESTAR EXPLR. & PROD.

FIGURE #1

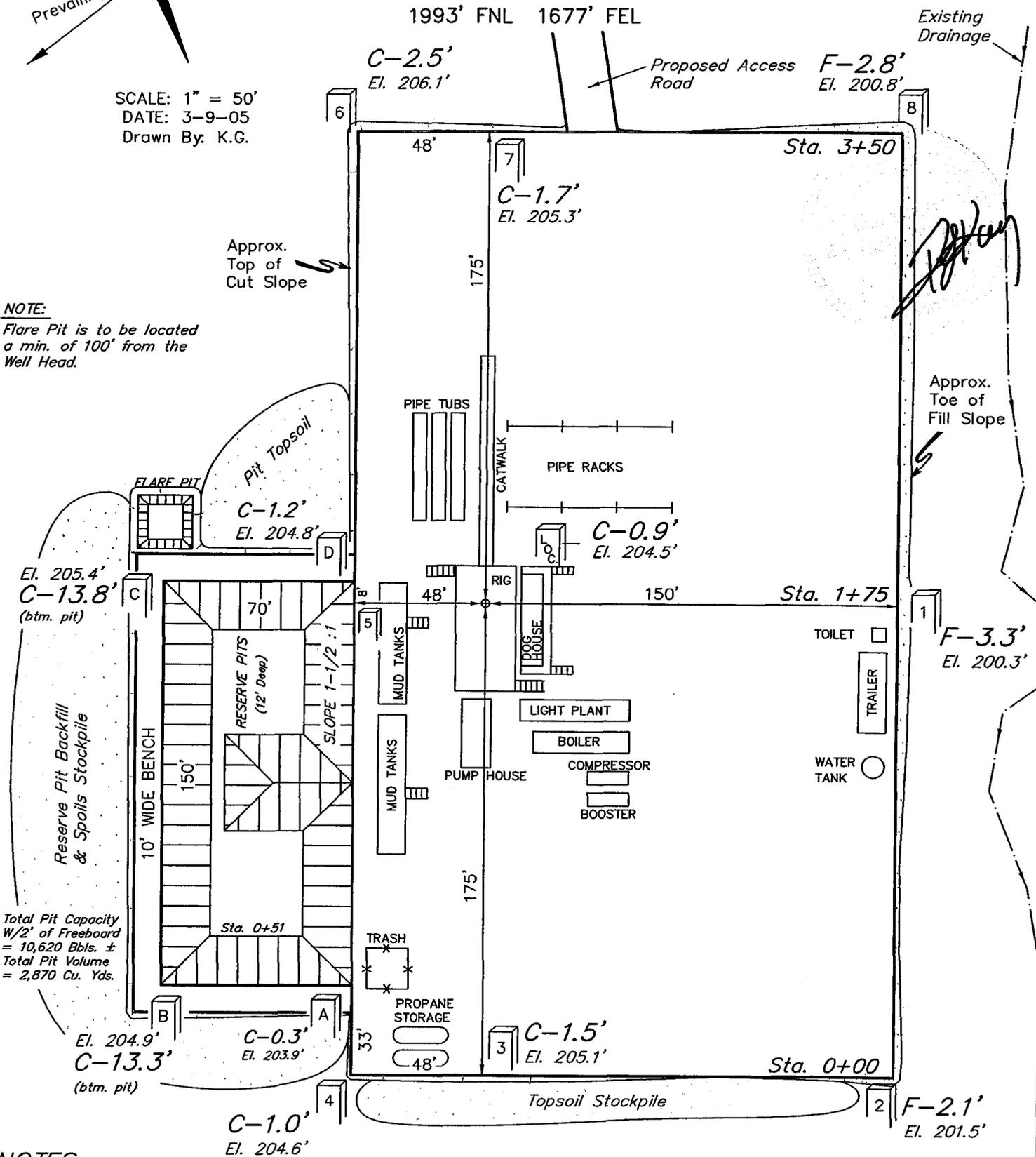
LOCATION LAYOUT FOR

WK #7ML-2-9-24
SECTION 2, T9S, R24E, S.L.B.&M.
1993' FNL 1677' FEL



SCALE: 1" = 50'
DATE: 3-9-05
Drawn By: K.G.

NOTE:
Flare Pit is to be located
a min. of 100' from the
Well Head.



Total Pit Capacity
W/2' of Freeboard
= 10,620 Bbls. ±
Total Pit Volume
= 2,870 Cu. Yds.

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5204.5'
FINISHED GRADE ELEV. AT LOC. STAKE = 5203.6'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

CONFIDENTIAL

QUESTAR EXPLR. & PROD.

FIGURE #2

TYPICAL CROSS SECTIONS FOR

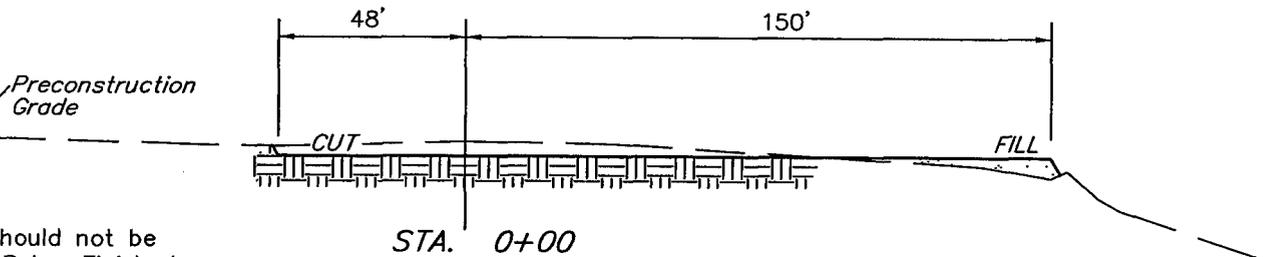
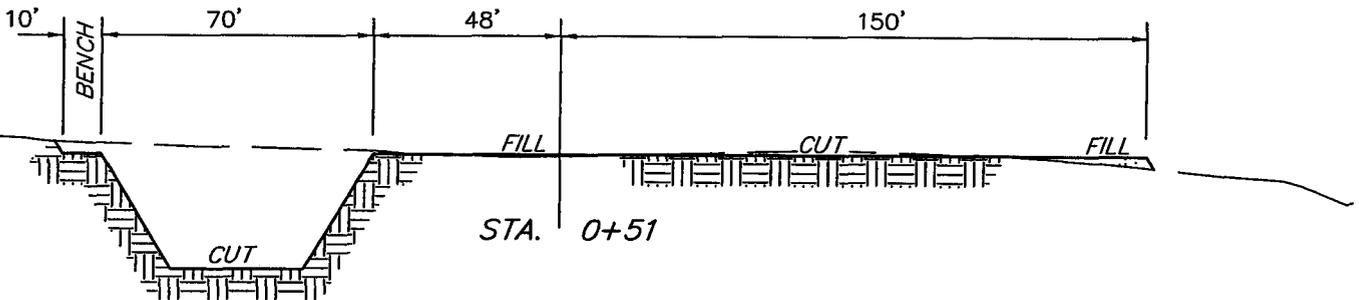
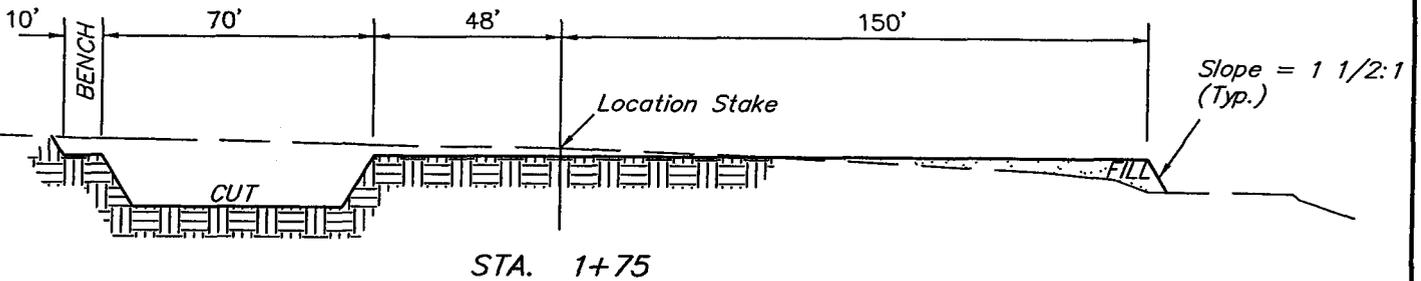
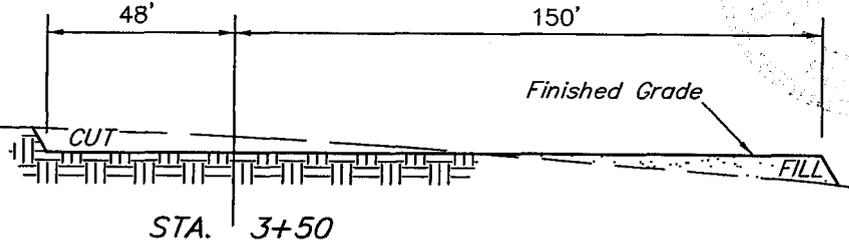
WK #7ML-2-9-24

SECTION 2, T9S, R24E, S.L.B.&M.

1993' FNL 1677' FEL

1" = 20'
X-Section Scale
1" = 50'

DATE: 3-9-05
Drawn By: K.G.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,630 Cu. Yds.
Remaining Location	= 3,790 Cu. Yds.
TOTAL CUT	= 5,420 CU.YDS.
FILL	= 2,350 CU.YDS.

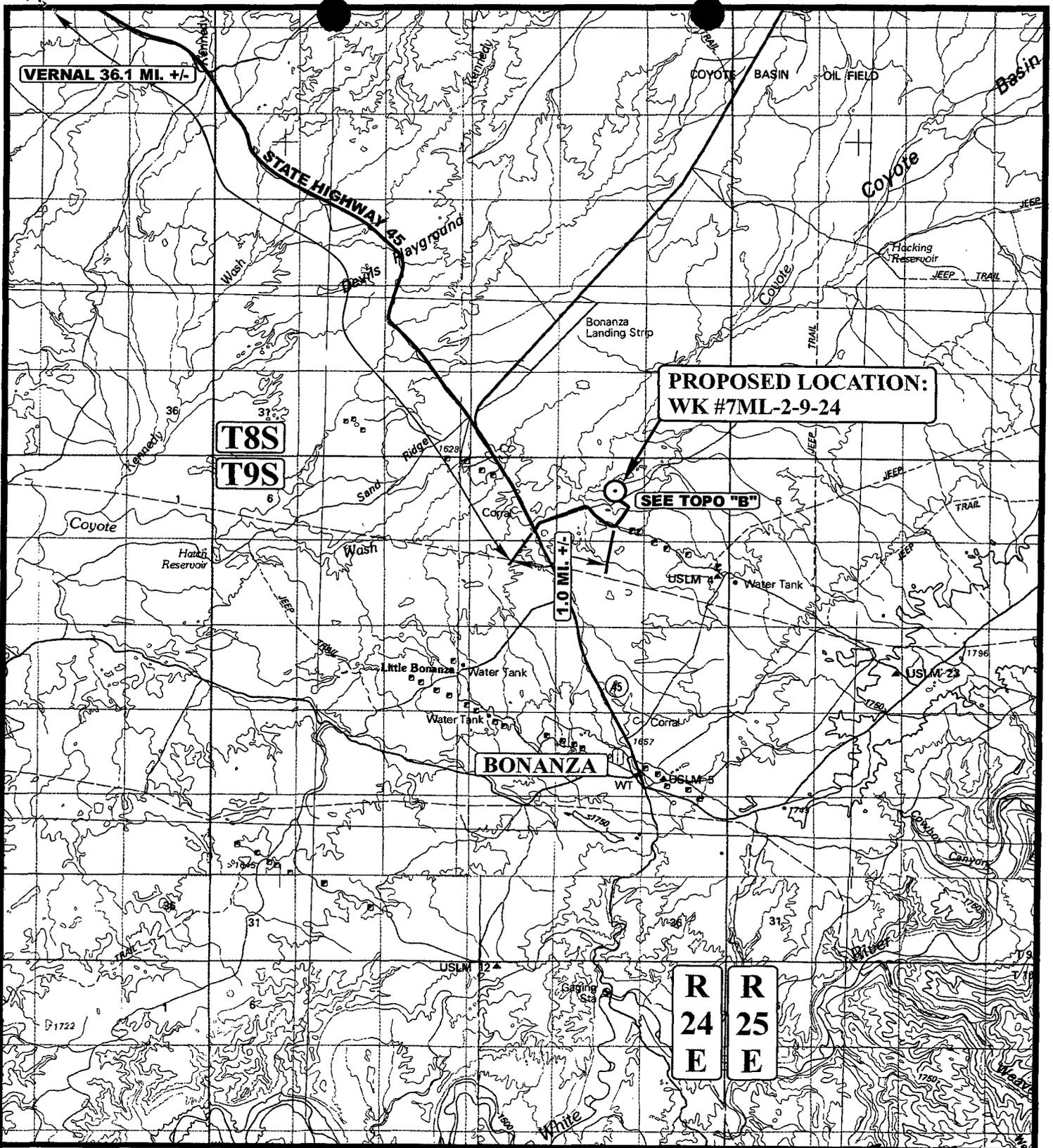
* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

Excess Material	= 3,070 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,070 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

CONFIDENTIAL



VERNAL 36.1 MI. +/-

T8S

T9S

PROPOSED LOCATION:
WK #7ML-2-9-24

SEE TOPO "B"

1.0 MI. +/-

BONANZA

R
24
E

R
25
E

LEGEND:

⊙ PROPOSED LOCATION



QUESTAR EXPLR. & PROD.

WK #7ML-2-9-24
SECTION 2, T9S, R24E, S.L.B.&M.
1993' FNL 1677' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

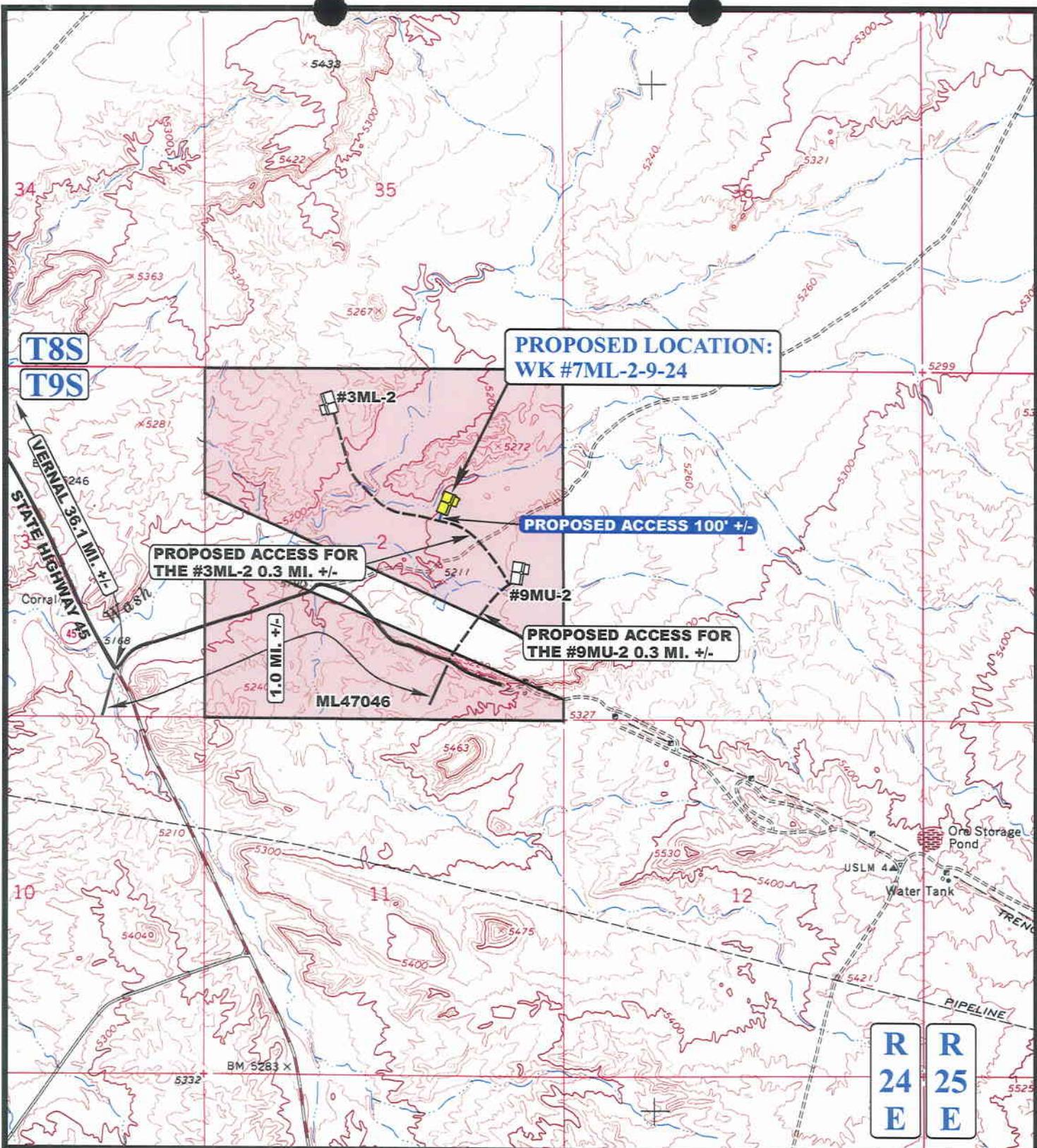
TOPOGRAPHIC
MAP

01 20 05
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: L.K. REV: 03-04-05 L.K.



CONFIDENTIAL



T8S
T9S

**PROPOSED LOCATION:
WK #7ML-2-9-24**

**PROPOSED ACCESS FOR
THE #3ML-2 0.3 MI. +/-**

PROPOSED ACCESS 100' +/-

**PROPOSED ACCESS FOR
THE #9MU-2 0.3 MI. +/-**

1.0 MI. +/-

ML47046

R
24
E

R
25
E

LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD

QUESTAR EXPLR. & PROD.

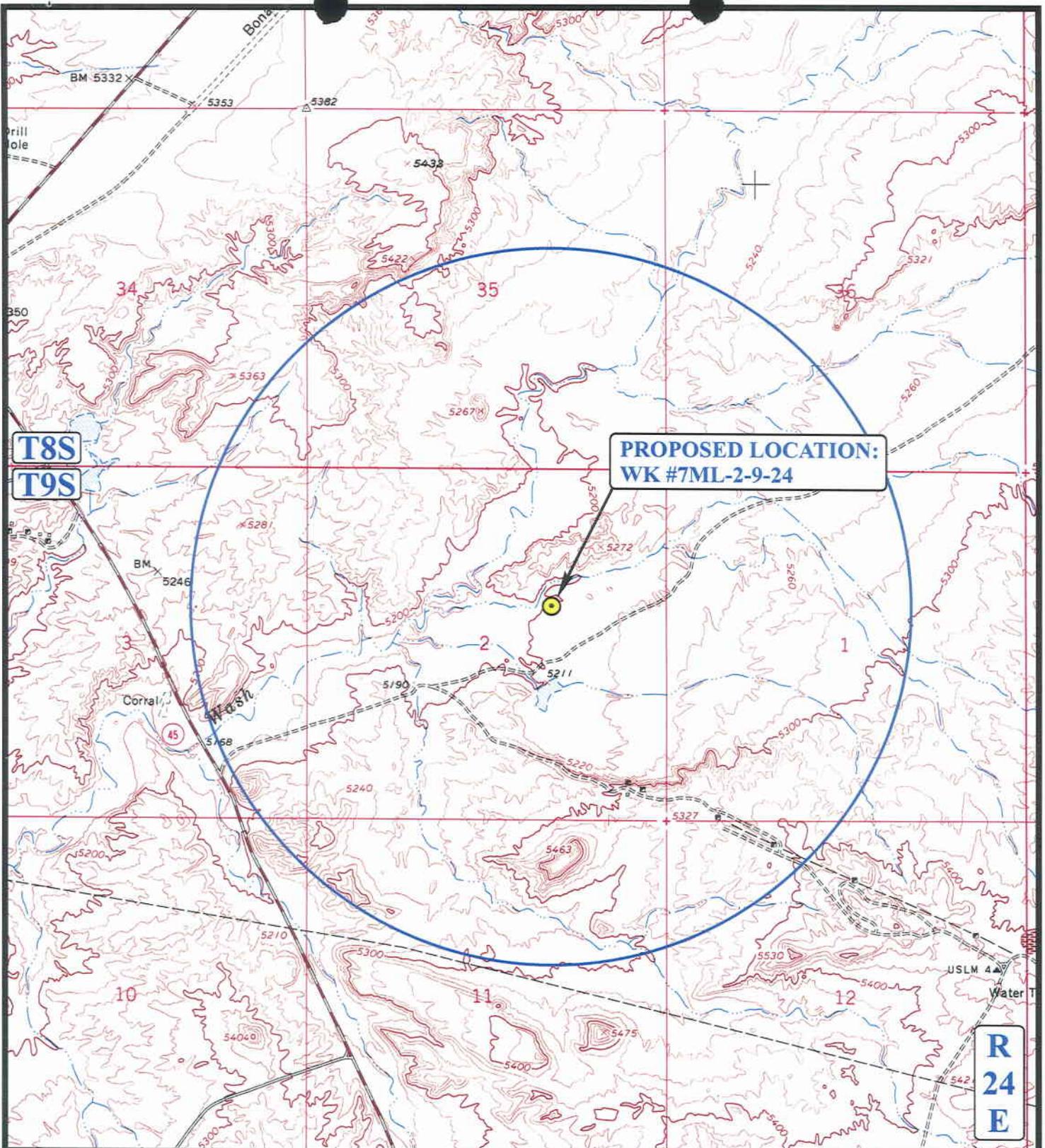
WK #7ML-2-9-24
SECTION 2, T9S, R24E, S.L.B.&M.
1993' FNL 1677' FEL

UES **Uintah Engineering & Land Surveying**
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC **01** **20** **05**
MAP MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REV: 03-04-05 L.K. **B**
TOPO



**PROPOSED LOCATION:
WK #7ML-2-9-24**

**T8S
T9S**

**R
24
E**

LEGEND:

- ◊ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ◊ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



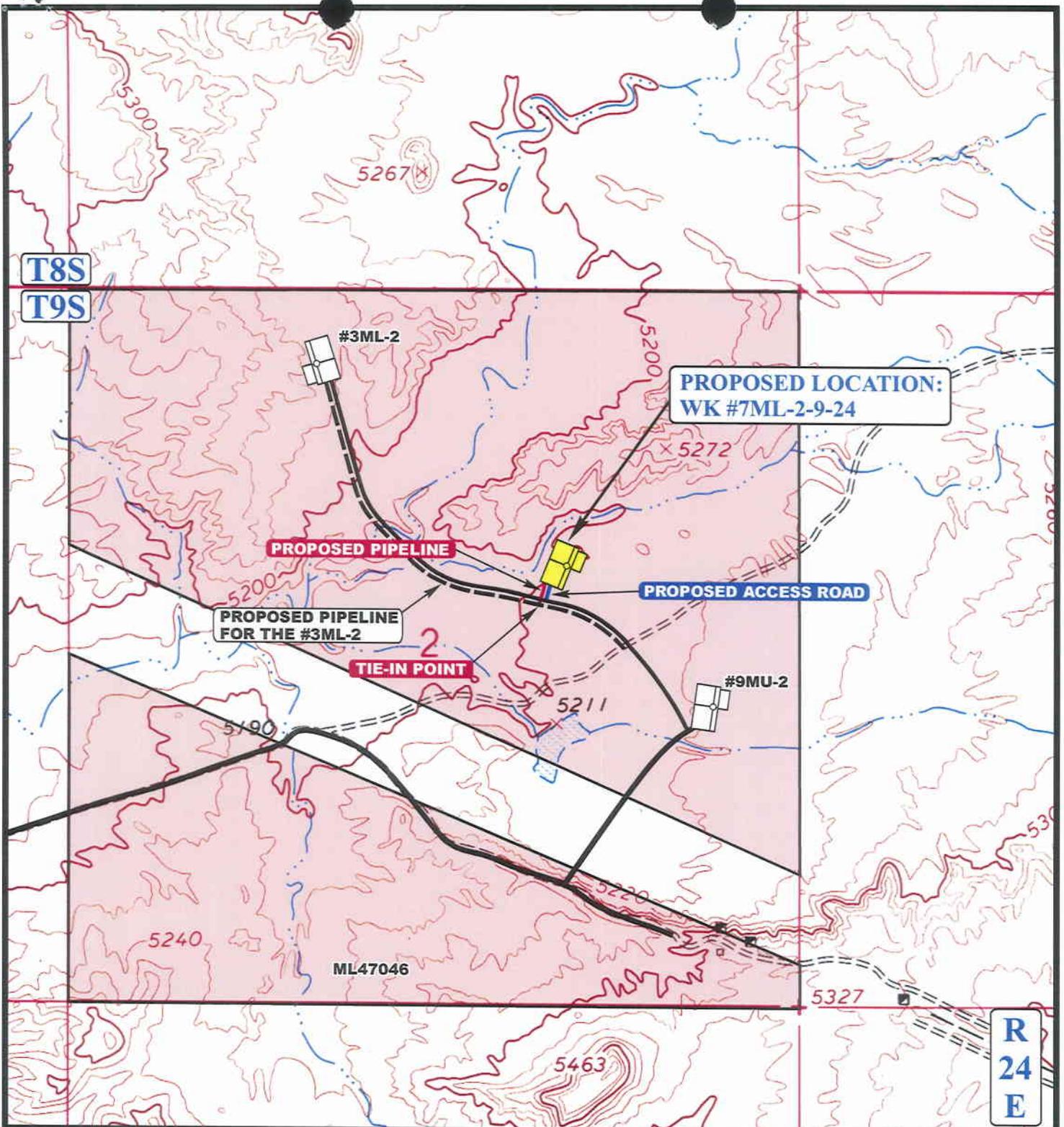
QUESTAR EXPLR. & PROD.

**WK #7ML-2-9-24
SECTION 2, T9S, R24E, S.L.B.&M.
1993' FNL 1677' FEL**



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	01 MONTH	20 DAY	05 YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: L.K.		REV: 03-04-05 L.K.	



APPROXIMATE TOTAL PIPELINE DISTANCE = 115' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE

QUESTAR EXPLR. & PROD.

WK #7ML-2-9-24
 SECTION 2, T9S, R24E, S.L.B.&M.
 1993' FNL 1677' FEL

UEIS Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC MAP 01 20 05
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: L.K. REV: 03-04-05 L.K.

D
 TOPO

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/17/2005

API NO. ASSIGNED: 43-047-36724

WELL NAME: WK 7ML-2-9-24
 OPERATOR: QEP UINTA BASIN, INC. (N2460)
 CONTACT: JAN NELSON

PHONE NUMBER: 435-781-4331

PROPOSED LOCATION:

SWNE 02 090S 240E
 SURFACE: 1993 FNL 1677 FEL
 BOTTOM: 1993 FNL 1677 FEL
 UINTAH
 UNDESIGNATED (2)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DND	7/6/05
Geology		
Surface		

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-47046
 SURFACE OWNER: 3 - State
 PROPOSED FORMATION: WSTC
 COALBED METHANE WELL? NO

LATITUDE: 40.06631
 LONGITUDE: -109.1773

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. 965003033)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-2153)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

- R649-2-3.
Unit _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS: Needs Plat (05-24-05)

STIPULATIONS: 1- Statement of Basis
2- Commingle Approval (Wstch-mv)



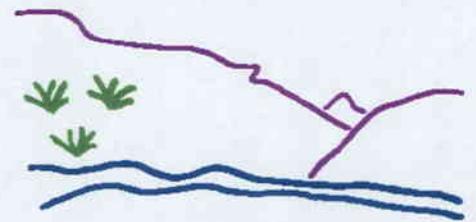
OPERATOR: QEP UINTA BASIN INC (N2460)

SEC: 2 T. 9S R. 24E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH

SPACING: R649-3-3 / EXCEPTION LOCATION



Utah Oil Gas and Mining

Wells

- ♣ GAS INJECTION
- ⊕ GAS STORAGE
- × LOCATION ABANDONED
- ⊕ NEW LOCATION
- ⊕ PLUGGED & ABANDONED
- ⊕ PRODUCING GAS
- PRODUCING OIL
- ⊕ SHUT-IN GAS
- ⊕ SHUT-IN OIL
- × TEMP. ABANDONED
- TEST WELL
- △ WATER INJECTION
- ⊕ WATER SUPPLY
- ♣ WATER DISPOSAL

Units.shp

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Fields.shp

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA WHITNEY
DATE: 18-MAY-2005

**DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS**

OPERATOR: Q.E.P. UINTA BASIN, INC.
WELL NAME & NUMBER: WK 7ML-2-9-24
API NUMBER: 43-047-36724
LOCATION: 1/4,1/4 SW/NE Sec: 2 TWP: 9S RNG: 24E 1677' FEL 1993' FNL

Geology/Ground Water:

QEP proposes to set 2,700 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 3,000 feet. A search of Division of Water Rights records shows 2 water wells within a 10,000 foot radius of the proposed location. Both wells are approximately 1 mile from the proposed location and are 100 feet or less in depth. One is listed for domestic use and the other for stock watering. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed well is approximately .25 miles from an active gilsonite mine. Verbal and written correspondence from Clay Taylor at American Gilsonite indicate that they are presently mining at a depth of about 1,100 feet. For both mine safety reasons and protection of the mineral resource surface casing should be extended to below the active mine workings and cemented to surface. The surface hole should also be drilled with air or mist if possible. A surface casing at this depth should adequately protect any useable ground water in this area.

Reviewer: Brad Hill **Date:** 06-07-05

Surface:

The predrill investigation of the surface was performed on 5/24/2005. Floyd Bartlett with DWR and Ed Bonner with SITLA were invited to this investigation on 5/19/2005. Mr. Bartlett was present. He had no concerns regarding the construction of this location or the drilling of this well. This site is on State surface with State minerals and appears to be the best site for a location in the immediate area. There are gilsonite mines 0.25 miles southwest of this site, and it will be necessary to notify these mines if it becomes necessary to blast while constructing this location or reserve pit. Ms. Nelson agreed to this. Mr. Bartlett presented Ms. Nelson with a DWR approved seed mix to be used when reserve pit is reclaimed.

Reviewer: David W. Hackford **Date:** 05/27/2005

Conditions of Approval/Application for Permit to Drill:

None.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: Q.E.P. UINTA BASIN, INC.

WELL NAME & NUMBER: WK 7ML-2-9-24

API NUMBER: 43-047-36724

LEASE: ML-47046 FIELD/UNIT: UNDESIGNATED

LOCATION: 1/4,1/4 SW/NE sec: 2 TWP: 9S RNG: 24E 1677' FEL 1993' FNL

LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4,1/4 LINE; 920 F ANOTHER WELL.

GPS COORD (UTM): 4436508N 655441E SURFACE OWNER: STATE OF UTAH

PARTICIPANTS

DAVID W. HACKFORD (DOGM), JAN NELSON, (Q.E.P.), FLOYD BARTLETT (DWR).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

SITE IS IN A RELATIVELY FLAT AND LEVEL AREA WITH BROKEN ROCKY HILLS 300' TO THE NORTH. VERY SHALLOW DRAWS DRAIN TO THE WEST TO COYOTE WASH 0.25 MILES AWAY. COYOTE WASH DRAINS TO THE SOUTHWEST AND EVENTUALLY REACHES THE WHITE RIVER. BONANZA, UTAH IS THREE MILES TO THE SOUTH, AND VERNAL, UTAH IS 37 MILES TO THE NORTHWEST.

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 350' BY 268'. ACCESS ROAD WILL 100'.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE ATTACHED MAP FROM GIS DATABASE.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: ALL PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. PIPELINE WILL FOLLOW ACCESS ROAD.

SOURCE OF CONSTRUCTION MATERIAL: ALL MATERIAL WILL BE BORROWED FROM SITE DURING CONSTRUCTION.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS?
(EXPLAIN): UNLIKELY.

WASTE MANAGEMENT PLAN:

DRILLED CUTTINGS WILL BE SETTLED INTO THE RESERVE PIT. LIQUIDS FROM PIT WILL BE ALLOWED TO EVAPORATE OR TRUCKED FROM LOCATION. FORMATION WATER WILL BE CONFINED TO STORAGE TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND HAULED TO AN APPROVED LAND FILL.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: CHEATGRASS, SAGE, RUSSIAN THISTLE, MUSTARD, GREASEWOOD,
PRICKLY PEAR: PRONGHORN, COYOTES, SONGBIRDS, RAPTORS, RODENTS, RABBITS.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY CLAY.

EROSION/SEDIMENTATION/STABILITY: VERY LITTLE NATURAL EROSION.
SEDIMENTATION AND STABILITY ARE NOT A PROBLEM AND LOCATION CONSTRUCTION
SHOULDN'T CAUSE AN INCREASE IN STABILITY OR EROSION PROBLEMS.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED

RESERVE PIT

CHARACTERISTICS: RESERVE PIT WILL BE 150' BY 70' AND 12' DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A LINER WILL NOT BE
REQUIRED FOR THE RESERVE PIT.

SURFACE RESTORATION/RECLAMATION PLAN

AS PER SITLA.

SURFACE AGREEMENT: AS PER SITLA.

CULTURAL RESOURCES/ARCHAEOLOGY: SITE HAS BEEN INSPECTED BY MOAC ARCHAEOLOGY.
A REPORT OF THIS INVESTIGATION WILL BE PLACED ON FILE.

OTHER OBSERVATIONS/COMMENTS

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A WARM SUNNY DAY WITH NO
SNOW COVER. GILSONITE MINES ARE LOCATED IN THIS SECTION, 0.25 MILES TO
THE SOUTHWEST.

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

DAVID W. HACKFORD
DOGM REPRESENTATIVE

5/24/05, 11:50 AM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 15 (Level II Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.



MAY 24 2005



MAY 24 2005



MAY 24 2005



MAY 24 2005



State Online Services

Agency List

Business.utah.gov

Search Utah.gov

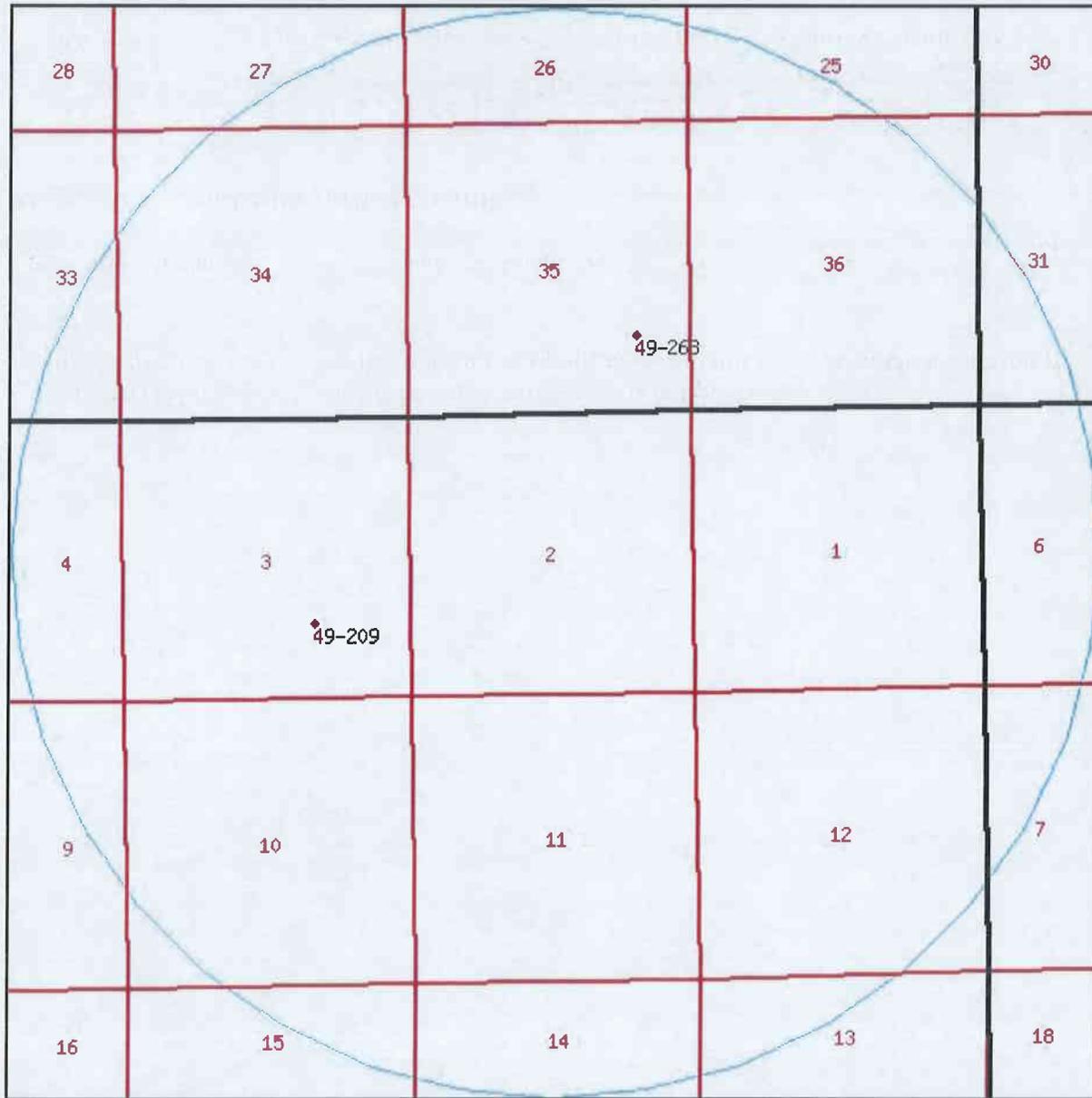
GO

UTAH DIVISION OF WATER RIGHTS

WRPLAT Program Output Listing

Version: 2004.12.30.00 Rundate: 06/07/2005 09:05 AM

Radius search of 10000 feet from a point N2640 E2640 from the SW corner, section 02, Township 9S, Range 24E, SL b&m
Criteria:wrtypes=W,C,E podtypes=U status=U,A,P usetypes=all



Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner Name
<u>49-209</u>	Underground N1350 W1800 SE 03 9S 24E SL	<u>well info</u>	P	19551101	D	0.011	0.000	PARTNERSHIP G.S. ZIEGLER & COMPANY JENSEN UT 84035
<u>49-268</u>	Underground N1390 W1041 SE 35 8S 24E SL	<u>well info</u>	P	1928	S	0.009	0.000	JOSEPH P. HACKING VERNAL UT 84078

[Natural Resources](#) | [Contact](#) | [Disclaimer](#) | [Privacy Policy](#) | [Accessibility Policy](#)

Casing Schematic

Uinter

Surface

9-5/8"
MW 8.4
Frac 19.3

TOC @
0.

TOC @
0.

1280' Green River

w/15% Washcoat

Surface
2700. MD

3,000' Bmsal

3466 TOC Tail

3575' Washcoat

4570 Mesa Verde

w/15% Washcoat

Production
7125. MD

4-1/2"
MW 9.5

BHP
 $(1052)(9.5)(7125) = 3519$
Anticipate 3090

Gov
 $(12)(7125) = 855$
MASP = 2664

BOPE - 3,000 ✓

Surf csq - 3520
728 = 2464

Max pressure @ shoe = 2116
Propose Test To depth ✓

Comingle request
Need affidavit and plat
rec'd 6/17/05 ✓

✓ Adequate DCD 7/6/05

Well name:	06-05 QEP WK 7ML-2-9-24	
Operator:	QEP Uinta Basin, Inc.	Project ID:
String type:	Surface	43-047-36724
Location:	Uintah County	

Design parameters:

Collapse
Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 0 psi
Internal gradient: 0.494 psi/ft
Calculated BHP: 1,332 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor: 1.125

Burst:
Design factor: 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 2,364 ft

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 103 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 450 ft

Cement top: Surface

Non-directional string.

Re subsequent strings:

Next setting depth: 7,125 ft
Next mud weight: 9.500 ppg
Next setting BHP: 3,516 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,700 ft
Injection pressure: 2,700 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2700	9.625	36.00	J-55	LT&C	2700	2700	8.796	192.3

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1178	2020	1.715	1332	3520	2.64	97	453	4.66 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining

Phone: 801-538-5280
FAX: 801-359-3940

Date: June 8, 2005
Salt Lake City, Utah

ENGINEERING STIPULATIONS:
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	06-05 QEP WK 7ML-2-9-24		
Operator:	QEP Uinta Basin, Inc.		
String type:	Production	Project ID:	43-047-36724
Location:	Uintah County		

Design parameters:

Collapse

Mud weight: 9.500 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 0 psi
 Internal gradient: 0.494 psi/ft
 Calculated BHP: 3,516 psi

 No backup mud specified.

Minimum design factors:

Collapse:

Design factor: 1.125

Burst:

Design factor: 1.00

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.80 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

Tension is based on air weight.
 Neutral point: 6,113 ft

Environment:

H2S considered? No
 Surface temperature: 65 °F
 Bottom hole temperature: 147 °F
 Temperature gradient: 1.15 °F/100ft
 Minimum section length: 1,500 ft

Cement top: Surface

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	7125	4.5	11.60	M-80	LT&C	7125	7125	3.875	165.2
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3516	6350	1.806	3516	7780	2.21	83	267	3.23 B

Prepared by: Clinton Dworshak
 Utah Div. of Oil & Mining

Phone: 801-538-5280
 FAX: 801-359-3940

Date: June 8, 2005
 Salt Lake City, Utah

ENGINEERING STIPULATIONS:

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

From: Ed Bonner
To: Whitney, Diana
Date: 6/13/2005 1:48:02 PM
Subject: Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

ConocoPhillips
Utah 24-902
Utah 28-903
Utah 18-904

Westport Oil & Gas Company
NBU 921-25D
NBU 921-33N
NBU 922-36B
North Bench State 42-16
North Bench State 44-16

QEP Uinta Basin, Inc
RW 14-36AMU
WK 1ML-2-9-24
WK 3ML-2-9-24
WK 7ML-2-9-24
WK 13ML-2-9-24
WK 15ML-2-9-24

If you have any questions regarding this matter please give me a call.

CC: Garrison, LaVonne; Hill, Brad; Hunt, Gil

NOTICE OF INTENT TO COMPLETE INTO MULTIPLE POOLS

WK 7ML-2-9-24

In compliance with the stated objectives of section R649-3-22 of the Utah Administrative Code and the Utah Oil and Gas Conservation Act, Questar Exploration and Production Company hereby requests the commingling of production between intervals in the WK 7ML-2-9-24. Questar considers this commingling to be in the public interest in that it promotes maximum ultimate economic recovery, prevents waste, provides for orderly and efficient production of oil and gas and presents no detrimental effects from commingling the two gas streams.

Questar requests approval for the commingling between the Mesa Verde and Wasatch intervals. As the well is not in a Unit PA and the ownership is the same between formations, production will be reported as combined Mesa Verde / Wasatch production.

This well will be completed using multiple stage hydraulic fracturing. Bridge plugs will be used to isolate completion intervals during fracturing operations and will be drilled up prior to putting the well on production. Mesa Verde and Wasatch intervals will be fractured separately, except where they occur too close together to make isolation unfeasible.

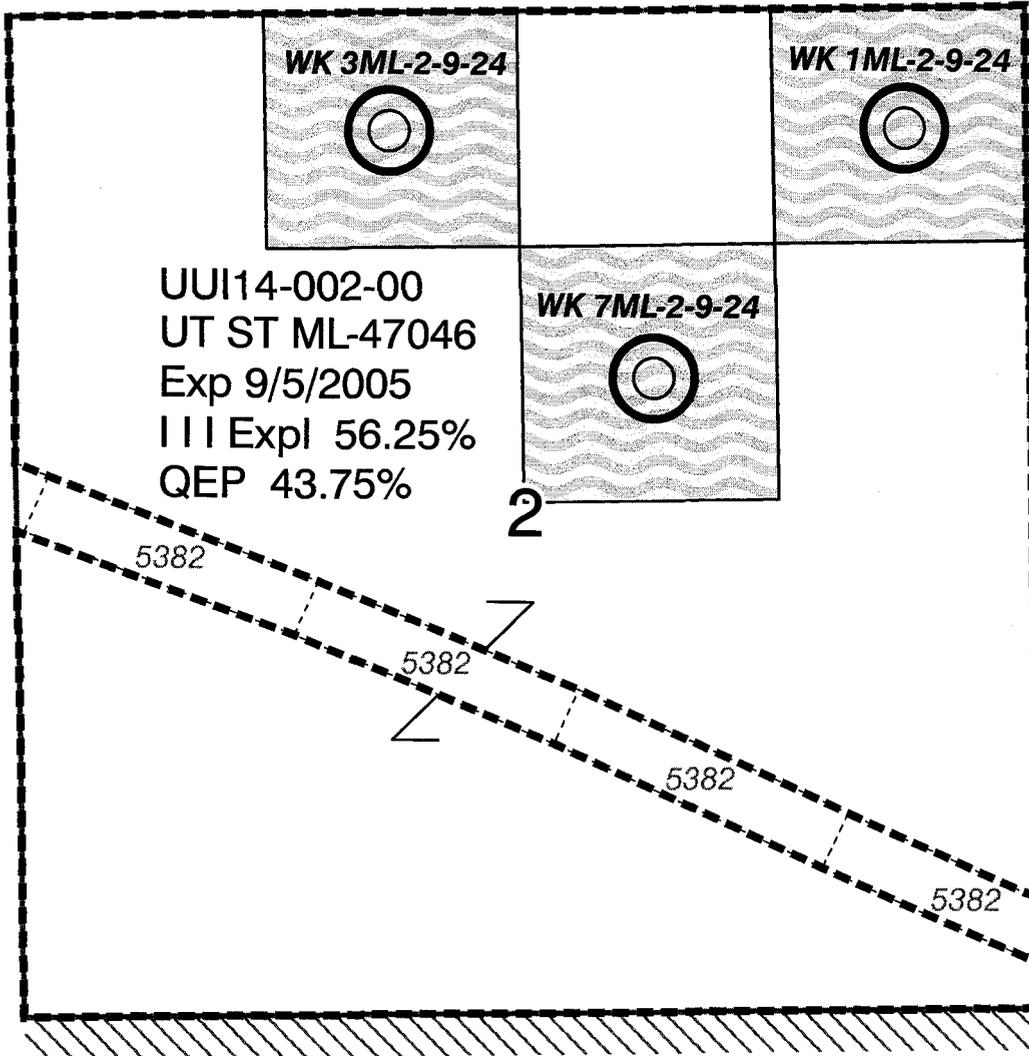
A plat of all contiguous owners will follow along with an affidavit stating that all contiguous owners have been notified and given a 15 day objection period.

I hereby certify that the foregoing is true and correct

 5/31/05

Mike Stahl
Completion Engineer
Questar Exploration & Production

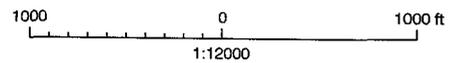
RECEIVED
JUN 1 / 2005
DIV. OF OIL, GAS & MINING

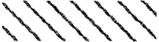


UUI14-002-00
 UT ST ML-47046
 Exp 9/5/2005
 III Expl 56.25%
 QEP 43.75%

2

Sec 2, T9S-R24E



-  40-acre pool
-  Commingled well
-  North Bonanza Unit
-  Lease line

Tw/Kmv	
COMMINGLED PRODUCTION	
Uinta Basin—Uintah County, Utah	
Wells: WK 1ML-2-9-24 WK 3ML-2-9-24 WK 7ML-2-9-24 Lease: UT ST ML-47046	
QUESTAR Exploration and Production	
<small>Geologist: JD Herman</small>	<small>Landman: Angela Page</small>
<small>Engineer:</small>	<small>Technician:</small>
<small>1030 17th St., # 300 Denver, CO 80202</small>	<small>Date: May 16, 2005</small>
<small>05722MapsUtah maps/Comm 20052924.cdr</small>	

AFFIDAVIT OF NOTICE

STATE OF COLORADO)
COUNTY OF DENVER) ss:

Angela Page, being duly sworn, deposes and says:

1. That I am employed by Questar Market Resources in the capacity as a Landman. My business address is Independence Plaza
1050 17th Street, Suite 500
Denver, CO 80265
2. In my capacity as a Landman, pursuant to the provisions of Utah Administrative Rule 615-3-22 I have provided a copy of Questar Market Resource's application for completion of the WK 7ML-2-9-24 well into two or more pools, in the form of Utah Division of Oil, Gas and Mining's Form 9 Sundry Notice, to owners of all contiguous oil and gas leases or drilling units overlying the pools which are the subject of that application.
3. In my capacity as a Landman I am authorized to provide such notice of Questar Market Resource's application to contiguous owners and to make this affidavit on this 19th day of May, 2005.

Angela Page
Printed Name: Angela Page

The foregoing instrument was sworn to and subscribed before me this 19th day of May, 2005, by Angela Page

Heather Lang
Notary Public
My Commission Expires 07/08/2008



QUESTAR

QEP Uinta Basin, Inc.

1100 East 17500 South

Vernal, UT 84078

Tel: 435 781 4300 • Fax 435 781 4329

November 1, 2005

Division of Oil, Gas & Mining
1594 W. N. Temple STE 1210
Salt Lake City, UT 84114-5801

To Whom It May Concern:

In reference to the State Oil and Gas Conservation rule R649-3-3 QEP Uinta Basin, Inc. WK 7ML-2-9-24 is an exception to this rule due to topography.

There are no additional lease owners within 460' of the proposed location. If you have any question please contact Jan Nelson @ (435) 781-4331.

Thank you,



Jan Nelson

T9S, R24E, S.L.B.&M.

QUESTAR EXPLR. & PROD.

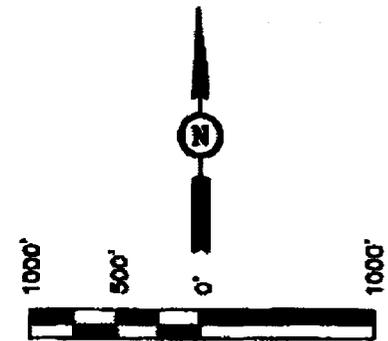
Well location, WK #7ML-2-9-24, located as shown in the SW 1/4 NE 1/4 of Section 2, T9S, R24E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 45EAM LOCATED IN THE NW 1/4 SW 1/4 OF SECTION 6, T9S, R24E, S.L.B.&M. TAKEN FROM THE BONANZA QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5350 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE

CERTIFICATE

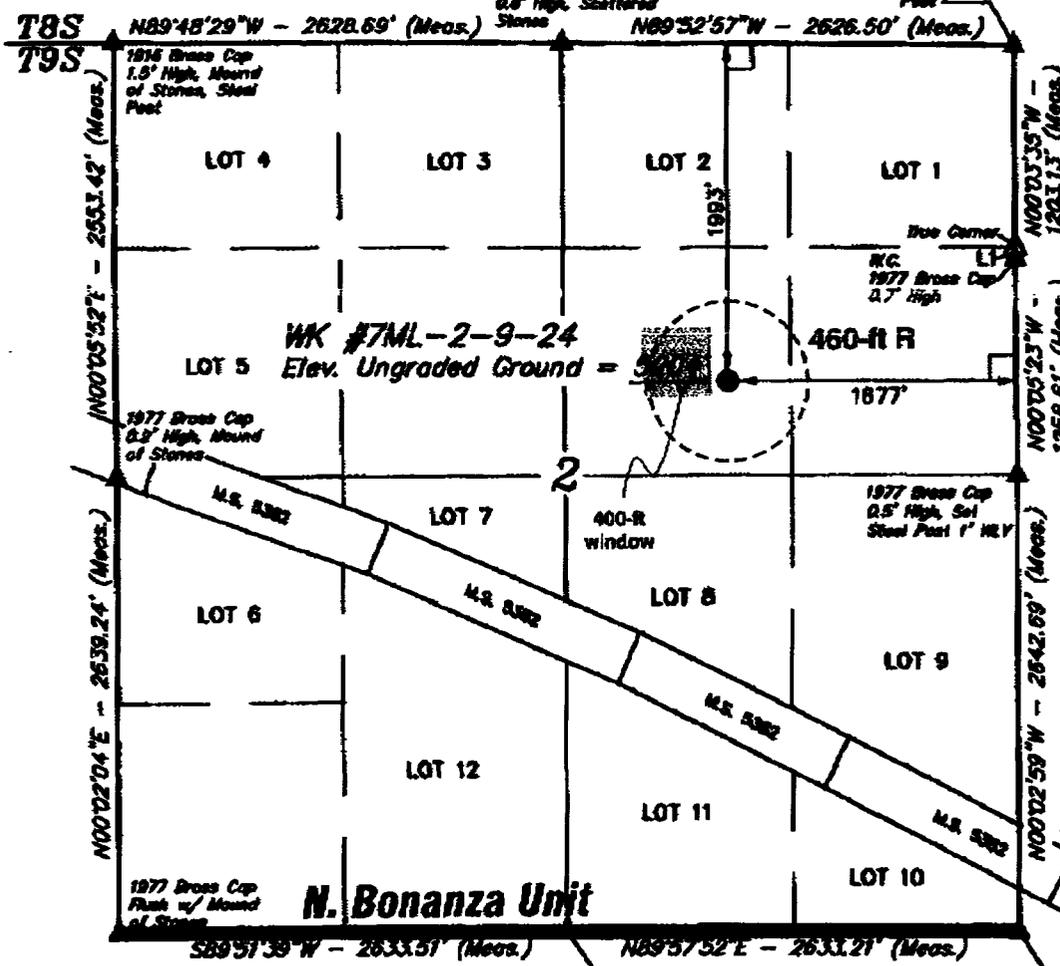
THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

John H. Hayes
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 181318
 STATE OF UTAH

Revised: 3-9-05

UINTAH ENGINEERING & LAND SURVEYING
 86 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 788-1017

SCALE 1" = 1000'	DATE SURVEYED 1-14-05	DATE DRAWN 1-21-05
PARTY D.A. T.C. K.G.		REFERENCES G.L.O. PLAT
WEATHER COLD		FILE QUESTAR EXPLR. & PROD.



LINE	BEARING	LENGTH
L1	N00°03'35"W	98.80'

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 83)
 LATITUDE = 40°03'58.91" (40.066364)
 LONGITUDE = 109°10'40.94" (109.178039)
 (AUTONOMOUS NAD 27)
 LATITUDE = 40°03'59.03" (40.066397)
 LONGITUDE = 109°10'38.52" (109.177397)



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

November 1, 2005

QEP Uinta Basin, Inc.
11002 E 17500 S
Vernal, UT 84078

Re: WK 7ML-2-9-24 Well, 1993' FNL, 1677' FEL, SW NE, Sec. 2, T. 9 South,
R. 24 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

Administrative approval for commingling the production from the Wasatch formation and the Mesaverde formation in this well is hereby granted. Appropriate information has been submitted to DOGM in accordance with R649-3-22. No written objections from owners were received by DOGM.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36724.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

Operator: QEP Uinta Basin, Inc.
Well Name & Number WK 7ML-2-9-24
API Number: 43-047-36724
Lease: ML-47046

Location: SW NE Sec. 2 T. 9 South R. 24 East

Conditions of Approval

1. **General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. **Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47046
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: N/A
2. NAME OF OPERATOR: QEP UINTA BASIN, INC		8. WELL NAME and NUMBER: WK 7ML-2-9-24
3. ADDRESS OF OPERATOR: 11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078		9. API NUMBER: 4304736724
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1993' FNL 1677' FEL		10. FIELD AND POOL, OR WILDCAT: UNDESIGNATED
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 2 9S 24E		COUNTY: UINTAH
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: APD EXTENSION
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the WK 7ML-2-9-24.

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: 10-26-06
By: [Signature]

RECEIVED

OCT 26 2006

DIV. OF OIL, GAS AND MINING

COPY SENT TO OPERATOR
DATE: 10/27/06
BY: [Signature]

NAME (PLEASE PRINT) <u>Jan Nelson</u>	TITLE <u>Regulatory Affairs</u>
SIGNATURE <u>[Signature]</u>	DATE <u>10/23/2006</u>

(This space for State use only)



**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-36724
Well Name: WK 7ML-2-9-24
Location: 1993' FNL 1677' SWNE, SEC. 2 T9S R24E.
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 11/1/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

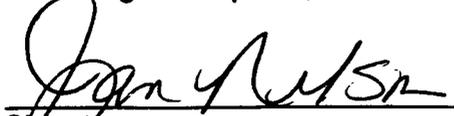
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No



Signature

10/23/2006
Date

Title: REGULATORY AFFAIRS

Representing: QEP UINTA BASIN, INC.

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING
1. DJJ
2. CDW

Change of Operator (Well Sold)

X - Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

1/1/2007

FROM: (Old Operator): N2460-QEP Uinta Basin, Inc. 1050 17th St, Suite 500 Denver, CO 80265 Phone: 1 (303) 672-6900	TO: (New Operator): N5085-Questar E&P Company 1050 17th St, Suite 500 Denver, CO 80265 Phone: 1 (303) 672-6900
---	--

CA No.

Unit:

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LISTS				*				

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 4/19/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 4/16/2007
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 1/31/2005
- a. Is the new operator registered in the State of Utah: Business Number: 764611-0143
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 5c. Reports current for Production/Disposition & Sundries on: n/a
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 4/23/2007 BIA
7. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 4/23/2007
8. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: _____
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 4/30/2007 and 5/15/2007
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 4/30/2007 and 5/15/2007
- Bond information entered in RBDMS on: 4/30/2007 and 5/15/2007
- Fee/State wells attached to bond in RBDMS on: 4/30/2007 and 5/15/2007
- Injection Projects to new operator in RBDMS on: 4/30/2007 and 5/15/2007
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: ESB000024
- Indian well(s) covered by Bond Number: 799446
- a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 965003033
- b. The **FORMER** operator has requested a release of liability from their bond on: n/a

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS: THIS IS A COMPANY NAME CHANGE.

SOME WELL NAMES HAVE BEEN CHANGED AS REQUESTED

Original Well Name	Well Name & No.	Q/Q	SEC	TWP	RNG	API	Entity	Lease	Well Type	Status
GB 6W-25-8-21	GB 6W-25-8-21	SENW	25	080S	210E	4304734121	13440	fee	GW	P
GB 7W-25-8-21	GB 7W-25-8-21	SWNE	25	080S	210E	4304734122	13436	fee	GW	P
GB 11W-30-8-22	OU GB 11W 30 8 22	NESW	30	080S	220E	4304734392	13433	fee	GW	P
UTAH STATE 1	STATE 1	NENE	36	070S	240E	4304715128	5878	State	GW	P
KAYE STATE 1-16	KAYE STATE 1-16	NWNW	16	100S	230E	4304730609	5395	State	GW	P
TOLL STATION ST 8-36-8-21	TOLL STATION ST 8-36-8-21	SENE	36	080S	210E	4304732724	12361	State	GW	S
GLEN BENCH ST 8A-36-8-21	GB 8A 36 8 21	SENE	36	080S	210E	4304733037	12377	State	GW	P
GLEN BENCH ST 6-36-8-21	GB 6 36 8 21	SENW	36	080S	210E	4304733038	12378	State	GW	P
GLEN BENCH ST 2-36-8-21	GB 2 36 8 21	NWNE	36	080S	210E	4304733252	12527	State	GW	P
GH 1W-32-8-21	GH 1W-32-8-21	NENE	32	080S	210E	4304733570	12797	State	GW	P
GH 3W-32-8-21	GH 3W-32-8-21	NENW	32	080S	210E	4304733571	12796	State	GW	P
GH 5W-32-8-21	GH 5W-32-8-21	SWNW	32	080S	210E	4304733572	12828	State	GW	P
GH 7W-32-8-21	GH 7W-32-8-21	SWNE	32	080S	210E	4304733573	12872	State	GW	P
GH 2W-32-8-21	GH 2W-32-8-21	NWNE	32	080S	210E	4304733744	13029	State	GW	P
GH 4W-32-8-21	GH 4W-32-8-21	NWNW	32	080S	210E	4304733745	13035	State	GW	P
GH 8W-32-8-21	GH 8W-32-8-21	SENE	32	080S	210E	4304733746	13030	State	GW	P
GB 3W-16-8-22	OU GB 3W 16 8 22	NENW	16	080S	220E	4304733751	13577	State	GW	P
GB 5W-16-8-22	OU GB 5W 16 8 22	SWNW	16	080S	220E	4304733752	13570	State	GW	P
GH 6W-32-8-21	GH 6W-32-8-21	SENW	32	080S	210E	4304733753	13036	State	GW	P
GB 11W-16-8-22	OU GB 11W 16 8 22	NESW	16	080S	220E	4304733754	13582	State	GW	P
GH 5G-32-8-21	GH 5G-32-8-21	SWNW	32	080S	210E	4304733866	13037	State	OW	P
GB 1W-36-8-21	GB 1W-36-8-21	NENE	36	080S	210E	4304733944	13439	State	GW	P
WV 7W-36-7-21	WV 7W-36-7-21	SWNE	36	070S	210E	4304734065	13334	State	GW	TA
WV 9W-36-7-21	WV 9W-36-7-21	NESE	36	070S	210E	4304734066	13331	State	GW	TA
WV 9W-16-7-21	WV 9W-16-7-21	NESE	16	070S	210E	4304734324		State	GW	LA
OU GB 4W-16-8-22	OU GB 4W-16-8-22	NWNW	16	080S	220E	4304734598	13579	State	GW	P
OU GB 10W-16-8-22	OU GB 10W-16-8-22	NWSE	16	080S	220E	4304734616		State	GW	LA
OU GB 12W-16-8-22	OU GB 12W-16-8-22	NWSW	16	080S	220E	4304734617	13697	State	GW	P
OU GB 13W-16-8-22	OU GB 13W-16-8-22	SWSW	16	080S	220E	4304734618	13611	State	GW	P
GB 14MU-16-8-22	GB 14MU-16-8-22	SESW	16	080S	220E	4304734619	14196	State	GW	P
OU GB 15W-16-8-22	OU GB 15W-16-8-22	SWSE	16	080S	220E	4304734622	13595	State	GW	P
OU GB 16W-16-8-22	OU GB 16W-16-8-22	SESE	16	080S	220E	4304734655	13815	State	GW	P
OU GB 2W-16-8-22	OU GB 2W-16-8-22	NWNE	16	080S	220E	4304734657	13721	State	GW	P
OU GB 6W-16-8-22	OU GB 6W-16-8-22	SENW	16	080S	220E	4304734658	13592	State	GW	P
OU GB 8W-16-8-22	OU GB 8W-16-8-22	SENE	16	080S	220E	4304734660	13769	State	GW	TA
OU GB 9W-16-8-22	OU GB 9W-16-8-22	NESE	16	080S	220E	4304734692		State	GW	LA
OU GB 15G-16-8-22	OU GB 15G-16-8-22	SWSE	16	080S	220E	4304734829	13777	State	OW	S
GB 7MU-36-8-21	GB 7MU-36-8-21	SWNE	36	080S	210E	4304734893	14591	State	GW	P
GB 3W-36-8-21	GB 3W-36-8-21	NENW	36	080S	210E	4304734894	13791	State	GW	P
NC 8M-32-8-22	NC 8M-32-8-22	SENE	32	080S	220E	4304734897		State	GW	LA
NC 3M-32-8-22	NC 3M-32-8-22	NENW	32	080S	220E	4304734899		State	GW	LA

Original Well Name	Well Name & No.	Q/Q	SEC	TWP	RNG	API	Entity	Lease	Well Type	Status
GB 5W-36-8-21	GB 5W-36-8-21	SWNW	36	080S	210E	4304734925	13808	State	GW	P
GB 4MU-36-8-21	GB 4MU-36-8-21	NWNW	36	080S	210E	4304734926	14589	State	GW	P
NC 11M-32-8-22	NC 11M-32-8-22	NESW	32	080S	220E	4304735040		State	GW	LA
GB 5SG-36-8-21	GB 5SG-36-8-21	SWNW	36	080S	210E	4304735155	14015	State	GW	P
SC 13ML-16-10-23	SC 13ML-16-10-23	SWSW	16	100S	230E	4304735281	14036	State	GW	P
SC 3M-16-10-23	SC 3ML 16 10 23	NENW	16	100S	230E	4304735282	14014	State	GW	P
SC 11ML-16-10-23	SC 11ML-16-10-23	NESW	16	100S	230E	4304735311	14035	State	GW	P
BB E 15G-16-7-21	BBE 15G 16 7 21	SWSE	16	070S	210E	4304735408	14070	State	OW	P
WH 13G-2-7-24	WH 13G-2-7-24	SWSW	02	070S	240E	4304735484	14176	State	GW	TA
FR 9P-36-14-19	FR 9P-36-14-19	NWSW	31	140S	200E	4304735880	14310	State	GW	S
CB 13G-36-6-20	CB 13G-36-6-20	SWSW	36	060S	200E	4304735969		State	OW	LA
WH 2G-2-7-24	WH 2G-2-7-24	NWNE	02	070S	240E	4304736259		State	GW	APD
WH 4G-2-7-24	WH 4G-2-7-24	NWNW	02	070S	240E	4304736261		State	GW	APD
FR 1P-36-14-19	FR 1P-36-14-19	NWNW	31	140S	200E	4304736300	14859	State	GW	S
WK 3ML-2-9-24	WK 3ML-2-9-24	NENW	02	090S	240E	4304736723		State	GW	APD
WK 7ML-2-9-24	WK 7ML-2-9-24	SWNE	02	090S	240E	4304736724		State	GW	APD
SC 5ML-16-10-23	SC 5ML-16-10-23	SWNW	16	100S	230E	4304736877	15125	State	GW	P
SC 12ML-16-10-23	SC 12ML-16-10-23	NWSW	16	100S	230E	4304736878	15053	State	GW	P
SC 14ML-16-10-23	SC 14ML-16-10-23	SESW	16	100S	230E	4304736908	15070	State	GW	P
SC 4ML-16-10-23	SC 4ML-16-10-23	NWNW	16	100S	230E	4304736912	15208	State	GW	P
FR 3P-36-14-19	FR 3P-36-14-19	NWNW	36	140S	190E	4304737376	15736	State	GW	DRL
BBE 9W-16-7-21	BBE 9W-16-7-21	NESE	16	070S	210E	4304737745		State	GW	APD
GB 10ML-16-8-22	GB 10ML-16-8-22	NWSE	16	080S	220E	4304737943		State	GW	APD
GB 9ML-16-8-22	GB 9ML-16-8-22	NESE	16	080S	220E	4304737944	15851	State	GW	DRL
FR 11P-36-14-19	FR 11P-36-14-19	NWSW	36	140S	190E	4304738349		State	GW	DRL
GB 4SG-36-8-21	GB 4SG-36-8-21	NWNW	36	080S	210E	4304738764		State	GW	APD
GB 7SG-36-8-21	GB 7SG-36-8-21	SWNE	36	080S	210E	4304738765		State	GW	APD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

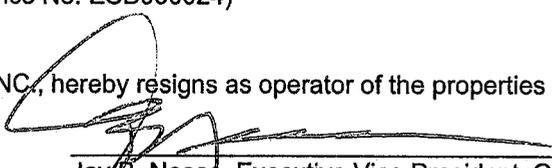
FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: see attached
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: see attached
		7. UNIT or CA AGREEMENT NAME: see attached
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: see attached
2. NAME OF OPERATOR: QUESTAR EXPLORATION AND PRODUCTION COMPANY		9. API NUMBER: attached
3. ADDRESS OF OPERATOR: 1050 17th Street Suite 500 CITY Denver STATE CO ZIP 80265	PHONE NUMBER: (303) 308-3068	10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE: attached COUNTY: Uintah QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>1/1/2007</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Operator Name Change</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

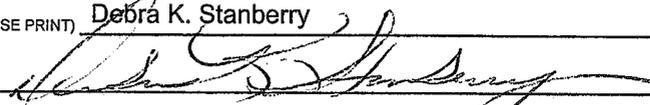
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective January 1, 2007 operator of record, QEP Uinta Basin, Inc., will hereafter be known as QUESTAR EXPLORATION AND PRODUCTION COMPANY. This name change involves only an internal corporate name change and no third party change of operator is involved. The same employees will continue to be responsible for operations of the properties described on the attached list. All operations will continue to be covered by bond numbers:
Federal Bond Number: 965002976 (BLM Reference No. ESB000024)
Utah State Bond Number: 965003033
Fee Land Bond Number: 965003033
Current operator of record, QEP UINTA BASIN, INC., hereby resigns as operator of the properties as described on the attached list.


Jay B. Neese, Executive Vice President, QEP Uinta Basin, Inc.

Successor operator of record, QUESTAR EXPLORATION AND PRODUCTION COMPANY, hereby assumes all rights, duties and obligations as operator of the properties as described on the attached list


Jay B. Neese, Executive Vice President
Questar Exploration and Production Company

NAME (PLEASE PRINT) <u>Debra K. Stanberry</u>	TITLE <u>Supervisor, Regulatory Affairs</u>
SIGNATURE 	DATE <u>3/16/2007</u>

(This space for State use only)

RECEIVED
APR 19 2007

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: see attached
2. NAME OF OPERATOR: QUESTAR EXPLORATION AND PRODUCTION COMPANY		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: see attached
3. ADDRESS OF OPERATOR: 1050 17th Street Suite 500 <small>CITY</small> Denver <small>STATE</small> CO <small>ZIP</small> 80265		7. UNIT or CA AGREEMENT NAME: see attached
4. LOCATION OF WELL FOOTAGES AT SURFACE: attached		8. WELL NAME and NUMBER: see attached
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		9. API NUMBER: attached
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT:
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>1/1/2007</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Well Name Changes</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

PER THE ATTACHED LIST OF WELLS, QUESTAR EXPLORATION AND PRODUCTION COMPANY REQUESTS THAT THE INDIVIDUAL WELL NAMES BE UPDATED IN YOUR RECORDS.

NAME (PLEASE PRINT) <u>Debra K. Stanberry</u>	TITLE <u>Supervisor, Regulatory Affairs</u>
SIGNATURE	DATE <u>4/17/2007</u>

(This space for State use only)

RECEIVED
APR 19 2007
DIV. OF OIL, GAS & MINING



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

43,047,36724
November 14, 2007

Laura Bills
QEP Uinta Basin Inc.
11002 East 17500 South
Vernal, UT 84078

Re: APDs Rescinded at the request of QEP Uinta Basin Inc.

Dear Ms. Bills:

Enclosed find the list of APDs that you requested to be rescinded to QEP Uinta Basin Inc. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective November 14, 2007.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject locations.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal

Page 2
November 14, 2007
Subject:

WK 7ML-2-9-24
WK 3ML-2-9-24
WWT 1ML-24-8-24
WWT 1ML-25-8-24
WWT 2ML-24-8-24
WWT 2ML-25-8-24
WWT 7ML-25-8-24
WWT 8ML-24-8-24
WWT 8ML-25-8-24
WWT 9ML-25-8-24
WWT 10ML-25-8-24
WWT 15ML-13-8-24
WWT 15ML-24-8-24
WWT 15ML-25-8-24
WWT 16ML-13-8-24
WWT 16ML-24-8-24

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
 CDW

Change of Operator (Well Sold)

X - Operator Name Change

The operator of the well(s) listed below has changed, effective:

6/14/2010

FROM: (Old Operator): N5085-Questar Exploration and Production Company 1050 17th St, Suite 500 Denver, CO 80265 Phone: 1 (303) 308-3048	TO: (New Operator): N3700-QEP Energy Company 1050 17th St, Suite 500 Denver, CO 80265 Phone: 1 (303) 308-3048
--	---

CA No. **Unit:**

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 6/28/2010
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 6/28/2010
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 6/24/2010
- Is the new operator registered in the State of Utah: Business Number: 764611-0143
- (R649-9-2) Waste Management Plan has been received on: Requested
- Inspections of LA PA state/fee well sites complete on: n/a
- Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 8/16/2010 BIA not yet
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 8/16/2010
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 6/29/2010

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 6/30/2010
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 6/30/2010
- Bond information entered in RBDMS on: 6/30/2010
- Fee/State wells attached to bond in RBDMS on: 6/30/2010
- Injection Projects to new operator in RBDMS on: 6/30/2010
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: ESB000024
- Indian well(s) covered by Bond Number: 965010693
- (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 965010695
- The **FORMER** operator has requested a release of liability from their bond on: n/a

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: See attached
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: See attached
7. UNIT or CA AGREEMENT NAME: See attached
8. WELL NAME and NUMBER: See attached
9. API NUMBER: Attached
10. FIELD AND POOL, OR WILDCAT: See attached

1 TYPE OF WELL OIL WELL GAS WELL OTHER _____

2 NAME OF OPERATOR:
Questar Exploration and Production Company *N5085*

3. ADDRESS OF OPERATOR:
1050 17th Street, Suite 500 Denver STATE CO ZIP 80265 PHONE NUMBER: (303) 672-6900

4. LOCATION OF WELL
FOOTAGES AT SURFACE: See attached
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

COUNTY: Attached
STATE: UTAH

11 CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>6/14/2010</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Operator Name Change</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective June 14, 2010 Questar Exploration and Production Company changed its name to QEP Energy Company. This name change involves only an internal corporate name change and no third party change of operator is involved. The same employees will continue to be responsible for operations of the properties described on the attached list. All operations will continue to be covered by bond numbers:
 Federal Bond Number: 965002976 (BLM Reference No. ESB000024) *N3700*
 Utah State Bond Number: ~~965003033~~ } *965010695*
 Fee Land Bond Number: ~~965003033~~ } *965010695*
 BIA Bond Number: ~~799446~~ } *965010693*

The attached document is an all inclusive list of the wells operated by Questar Exploration and Production Company. As of June 14, 2010 QEP Energy Company assumes all rights, duties and obligations as operator of the properties as described on the list

NAME (PLEASE PRINT) Morgan Anderson TITLE Regulatory Affairs Analyst
 SIGNATURE *Morgan Anderson* DATE 6/23/2010

(This space for State use only)

RECEIVED
JUN 28 2010

DIV. OF OIL, GAS & MINING

APPROVED 6/30/2009
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

Questar Exploration Production Company (N5085) to QEP Energy Company (N3700)
effective June 14, 2010

well_name	sec	tpw	rng	api	entity	mineral lease	type	stat	C
Wr 16G-32-10-17	32	100S	170E	4301350370		State	OW	NEW	C
STATE 1	36	070S	240E	4304715128	5878	State	GW	P	
KAYE STATE 1-16	16	100S	230E	4304730609	5395	State	GW	P	
TOLL STATION ST 8-36-8-21	36	080S	210E	4304732724	12361	State	GW	S	
GB 8A-36-8-21	36	080S	210E	4304733037	12377	State	GW	P	
GB 6-36-8-21	36	080S	210E	4304733038	12378	State	GW	P	
GB 2-36-8-21	36	080S	210E	4304733252	12527	State	GW	P	
GH 1W-32-8-21	32	080S	210E	4304733570	12797	State	GW	P	
GH 3W-32-8-21	32	080S	210E	4304733571	12796	State	GW	P	
GH 5W-32-8-21	32	080S	210E	4304733572	12828	State	GW	P	
GH 7W-32-8-21	32	080S	210E	4304733573	12872	State	GW	P	
GH 2W-32-8-21	32	080S	210E	4304733744	13029	State	GW	P	
GH 4W-32-8-21	32	080S	210E	4304733745	13035	State	GW	P	
GH 8W-32-8-21	32	080S	210E	4304733746	13030	State	GW	P	
OU GB 3W-16-8-22	16	080S	220E	4304733751	13577	State	GW	P	
OU GB 5W-16-8-22	16	080S	220E	4304733752	13570	State	GW	P	
GH 6W-32-8-21	32	080S	210E	4304733753	13036	State	GW	P	
OU GB 11W-16-8-22	16	080S	220E	4304733754	13582	State	GW	P	
GH 5G-32-8-21	32	080S	210E	4304733866	13037	State	OW	P	
GB 1W-36-8-21	36	080S	210E	4304733944	13439	State	GW	P	
WV 2W-2-8-21	02	080S	210E	4304734034	13678	State	GW	P	
GB 6W-25-8-21	25	080S	210E	4304734121	13440	Fee	GW	P	
GB 7W-25-8-21	25	080S	210E	4304734122	13436	Fee	GW	P	
WV 9W-16-7-21	16	070S	210E	4304734324		State	GW	LA	
OU GB 11W-30-8-22	30	080S	220E	4304734392	13433	Fee	GW	P	
OU GB 4W-16-8-22	16	080S	220E	4304734598	13579	State	GW	P	
OU GB 10W-16-8-22	16	080S	220E	4304734616		State	GW	LA	
OU GB 12W-16-8-22	16	080S	220E	4304734617	13697	State	GW	P	
OU GB 13W-16-8-22	16	080S	220E	4304734618	13611	State	GW	P	
GB 14MU-16-8-22	16	080S	220E	4304734619	14196	State	GW	P	
OU GB 15W-16-8-22	16	080S	220E	4304734622	13595	State	GW	P	
OU GB 16W-16-8-22	16	080S	220E	4304734655	13815	State	GW	P	
OU GB 2W-16-8-22	16	080S	220E	4304734657	13721	State	GW	P	
OU GB 6W-16-8-22	16	080S	220E	4304734658	13592	State	GW	P	
OU GB 8W-16-8-22	16	080S	220E	4304734660	13769	State	GW	TA	
OU GB 9W-16-8-22	16	080S	220E	4304734692		State	GW	LA	
OU GB 15G-16-8-22	16	080S	220E	4304734829	13777	State	OW	S	
GB 7MU-36-8-21	36	080S	210E	4304734893	14591	State	GW	P	
GB 3W-36-8-21	36	080S	210E	4304734894	13791	State	GW	P	
NC 8M-32-8-22	32	080S	220E	4304734897		State	GW	LA	
NC 3M-32-8-22	32	080S	220E	4304734899		State	GW	LA	
GB 5W-36-8-21	36	080S	210E	4304734925	13808	State	GW	P	
GB 4MU-36-8-21	36	080S	210E	4304734926	14589	State	GW	P	
NC 11M-32-8-22	32	080S	220E	4304735040		State	GW	LA	
GB 5SG-36-8-21	36	080S	210E	4304735155	14015	State	GW	P	
SC 13ML-16-10-23	16	100S	230E	4304735281	14036	State	GW	P	
SC 3ML-16-10-23	16	100S	230E	4304735282	14014	State	GW	P	
SC 11ML-16-10-23	16	100S	230E	4304735311	14035	State	GW	P	
WH 13G-2-7-24	02	070S	240E	4304735484	14176	State	D	PA	
FR 9P-36-14-19	31	140S	200E	4304735880	14310	State	GW	P	
CB 13G-36-6-20	36	060S	200E	4304735969		State	OW	LA	

Bonds: BLM = ESB000024

BIA = 956010693

State = 965010695

Questar Exploration Production Company (N5085) to QEP Energy Company (N3700)
effective June 14, 2010

well_name	sec	twp	rng	api	entity	mineral lease	type	stat	C
WH 2G-2-7-24	02	070S	240E	4304736259		State	GW	LA	
WH 4G-2-7-24	02	070S	240E	4304736261		State	GW	LA	
FR 1P-36-14-19	31	140S	200E	4304736300	14859	State	GW	P	
WK 3ML-2-9-24	02	090S	240E	4304736723		State	GW	LA	
WK 7ML-2-9-24	02	090S	240E	4304736724		State	GW	LA	
SC 5ML-16-10-23	16	100S	230E	4304736877	15125	State	GW	P	
SC 12ML-16-10-23	16	100S	230E	4304736878	15053	State	GW	P	
SC 14ML-16-10-23	16	100S	230E	4304736908	15070	State	GW	P	
SC 4ML-16-10-23	16	100S	230E	4304736912	15208	State	GW	P	
FR 3P-36-14-19	36	140S	190E	4304737376	15736	State	GW	P	
BZ 12ML-16-8-24	16	080S	240E	4304737670		State	GW	LA	
BZ 10D-16-8-24	16	080S	240E	4304737671	15979	State	GW	S	
BZ 14ML-16-8-24	16	080S	240E	4304737672		State	GW	LA	
BBE 9W-16-7-21	16	070S	210E	4304737745		State	GW	LA	
GB 10ML-16-8-22	16	080S	220E	4304737943		State	GW	LA	
GB 9ML-16-8-22	16	080S	220E	4304737944	15851	State	GW	P	
HR 2MU-2-12-23	02	120S	230E	4304738052		State	GW	LA	
HR 3MU-2-12-23	02	120S	230E	4304738053		State	GW	LA	
HR 6MU-2-12-23	02	120S	230E	4304738054		State	GW	LA	
HR 10MU-2-12-23	02	120S	230E	4304738055	15737	State	GW	S	
HR 12MU-2-12-23	02	120S	230E	4304738056		State	GW	LA	
HR 14MU-2-12-23	02	120S	230E	4304738057		State	GW	LA	
HR 16MU-2-12-23	02	120S	230E	4304738058		State	GW	LA	
FR 11P-36-14-19	36	140S	190E	4304738349	15899	State	GW	P	
GB 4SG-36-8-21	36	080S	210E	4304738764	16142	State	GW	P	
GB 7SG-36-8-21	36	080S	210E	4304738765	16144	State	GW	P	
WF 3D-32-15-19	32	150S	190E	4304738877		State	GW	APD	C
SCS 5C-32-14-19	32	140S	190E	4304738963	16759	State	GW	P	
FR 7P-36-14-19	31	140S	200E	4304738992	15955	State	GW	P	
SCS 10C-16-15-19	16	150S	190E	4304739683	16633	State	GW	P	
FR 6P-16-14-19	16	140S	190E	4304740350		State	GW	APD	C

Bonds: BLM = ESB000024

BIA = 956010693

State = 965010695